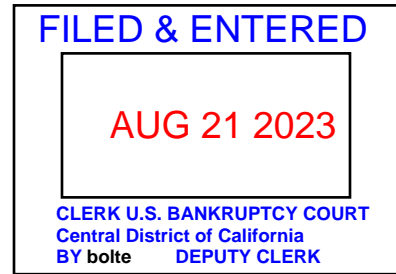


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Special Counsel to Richard A. Marshack, Chapter 11 Trustee

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - SANTA ANA DIVISION

In re:
THE LITIGATION PRACTICE GROUP P.C.,
Debtor.

Case No. 8:23-bk-10571-SC

Chapter 11

**ORDER ON NOTICE OF NON-
MATERIAL MODIFICATION TO
PROMISSORY NOTE WITH
ADDITIONAL LENDER AS PART OF
PREVIOUSLY APPROVED POST-
PETITION FINANCING AND REQUEST
FOR APPROVAL OF SAME**

Date: August 10, 2023
Time: 10:00 a.m.
Judge: Hon. Scott C. Clarkson
Place: Courtroom 5C
411 West Fourth Street
Santa Ana, CA 92701

On June 16, 2023, Richard A. Marshack, the Chapter 11 Trustee (the “Trustee”) for the
bankruptcy estate (the “Estate”) of The Litigation Practice Group, P.C., in the above-captioned
bankruptcy case filed a *Notice of Motion and Emergency Motion (I) for Entry of Interim Order: (A)*
Authorizing The Trustee to Obtain Post-Petition Financing and Superpriority Administrative
Expense Claim Pursuant to 11 U.S.C. § 364; and (B) Setting Final Hearing; and Pursuant to Final

1 *Hearing, (II) for Entry of Final Order Approving Post-Petition Financing on a Final Basis* [Docket
2 No. 119] (the “Financing Motion”). This Court heard the Financing Motion and On June 22, 2023,
3 entered an Interim Order [Docket No. 131] granting the Financing Motion that, among other things,
4 set a Final Hearing on July 20, 2023, authorized the Trustee to borrow up to \$800,000.00 of Post-
5 Petition Financing in advance of the Final Hearing, and gave the Trustee the authority to make non-
6 material changes to the terms of the Post-Petition Financing in advance of the Final Hearing with
7 proper notice. The Court moved that Final Hearing to August 10, 2023 at 10:00 a.m. to provide
8 parties more time.

9 The lender identified in the Financing Motion provided financing in the amount of
10 \$249,663.98.

11 On June 29, 2023, the Trustee filed a Notice in the case that the lender identified in the
12 Financing Motion as being willing and able to lend the \$800,000 to the Estate was unable or
13 unwilling to loan any amount beyond the \$249,663.98 that it had previously advanced (the “Ex Parte
14 Notice”) [Docket No. 156].

15 The Trustee asked that the Court approve the Ex Parte Notice. The Court set the matter for
16 hearing on June 30, 2023, entered an Order granting the Ex Parte Notice [Docket No. 168] that,
17 among other things, set a Final Hearing on August 10, 2023.

18 On or about July 3, 2023, Trustee filed his Declaration [Docket No. 170] providing, *inter*
19 *alia*, an executed copies of the notes executed pursuant to the Financing Motion in the amount of
20 \$249,663.98 (“Resolution Ventures Note No. 1”) and the note executed pursuant to the Ex Parte
21 Notice in the amount of \$550,336.02 (“Liberty Acquisitions Note”).

22 On or about July 18, 2023, the Official Committee of Unsecured Creditors (the
23 “Committee”) filed an Omnibus Limited Opposition and Reservation of Rights Concerning: (I) the
24 Trustee’s Emergency Motion for Entry of a Second Interim Order Authorizing Post-Petition
25 Financing and Superpriority Administrative Expense Claim Pursuant to 11 U.S.C. § 364; and (II)
26 Liberty Acquisitions Group, Inc.’s Statement in Support Thereof [Docket No. 282] (the “Omnibus
27 Committee Limited Objection”).

28 ///

1 On or about July 27, 2023, the Committee filed its Omnibus Response and Reservation of
2 Rights Regarding Final Hearing on Postpetition Financing Motions [Docket No. 341] (the
3 “Omnibus Committee Response” together with the Omnibus Committee Limited Objection, the
4 “Committee Objections”).


5 The Court, having considered the Ex Parte Notice, all pleadings filed in support thereof, the
6 Committee Objections, having heard oral argument, and good cause appearing including the reasons
7 stated on the record and in the Ex Parte Notice, the Court ordered as follows:

8 IT IS ORDERED that:

- 9 1. The Ex Parte Notice is granted, as modified herein;
- 10 2. Trustee is authorized to borrow \$550,336.02, the difference between the \$249,663.98
11 advanced by Resolution Ventures pursuant to the Resolution Ventures Note No. 1, and the
12 maximum indebtedness authorized by the Financing Motion, in the amount of \$800,000, from
13 Liberty Acquisitions, pursuant to the Resolution Ventures Note No. 1;
- 14 3. Liberty Acquisitions Group shall not be entitled to payment on the timeline set forth
15 at Section 2(ii) of the Liberty Note and, shall, instead be repaid within 1-year at 8% interest pursuant
16 to Section 2(i) of the Liberty Note.
- 17 4. Finds that there is no stay of this Order, including no stay pursuant to Rule 6004(h)
18 of the Federal Rules of Bankruptcy Procedure (to the extent applicable);
- 19 5. Retains jurisdiction with the Court with respect to all matters arising from or related
20 to the implementation of this Order.

21 **IT IS SO ORDERED.**

22
23
24 Date: August 21, 2023


Scott C. Clarkson
United States Bankruptcy Judge